



Oil and Gas

South Korea

Korea is the 10th largest energy consumer, the 7th largest oil consumer in the world. But having no crude oil reserves, Korea is dependent on importing its crude requirements from abroad.

The South Korean government signed a MoU with the United Arab Emirates on 13 March 2011 to cooperate in oil and gas developments. This MoU gives the Korea the right to produce petroleum from an oil field with reserves of as much as 1 billion barrels or more, valued at 110 trillion KRW (US\$97.68 billion). This is expected to raise Korea's self-exploitation of petroleum from 4% in 2007 to 15% based on calculations that Korea will gain 1 billion barrels of oil from the deal.

The overseas construction and plant market has grown rapidly since the mid-2000s, and Korea's global reputation regarding technology and construction capabilities has improved markedly. Korean firms have become increasingly involved in supplying large-scale

infrastructure to developing countries. This year, Korean firms expect to garner more than US\$ 70 billion worth of construction orders from the international market.

Six Korean Construction companies entered the top 10 list for gas & oil plant order value in Middle East region in the past year. Between April 2010 and March 2011;

Samsung engineering won \$6.3 billion worth orders in the past year, second only to Italian constructor Saipem.

Daelim and **SK E&C** ranked third and fourth respectively, with \$4.39 billion and \$3.1 billion each.

Hyundai E&C clinched \$2.01 billion worth deals, and **GS E&C** \$1.97 billion.

Hyundai Engineering were 10th on the list with \$1.09 billion order.

Such impressive achievements by Korean construction firms reflect the increasing presence and success of Korean large-scale infrastructure in the Middle East and beyond.



To find out more, scan this
QR code with your smartphone
+82 (0)2 3210 5634

Opportunity.Korea@fco.gov.uk
www.gov.uk/government/world/south-korea
@UKinKorea



Oil and Gas – Opportunities for UK companies

South Korea

Market Entry – Factors for Success

To compete in South Korea UK companies are recommended to have a capable local distributor, licensee or franchise partner who has an established network in the market and extensive market knowledge. A long-term perspective and a reliable partnership between supplier and their local partner is one of the key factors in achieving success.

How can UKTI help?

Some companies find entering South Korea challenging. To address this, the UKTI team in South Korea has actively provided support to UK companies for many years. Some of the assistance we can offer includes:

- providing tailored overviews of the sector
- providing market research and local contacts for your business
- identifying reliable and eligible agents/distributors/partners
- identifying competitors
- supporting events and your visits
- arranging one-to-one meetings

Youngran Lee
Trade Officer

Environment and Energy

UK Trade & Investment
British Embassy
South Korea

Tel: +82 2 3210 5634

Email: Youngran.Lee@fco.gov.uk

For further information on UK Trade & Investment in South Korea please visit:
www.gov.uk/government/world/south-korea



To find out more, scan this
QR code with your smartphone
+82 (0)2 3210 5634

Opportunity.Korea@fco.gov.uk
www.gov.uk/government/world/south-korea
@UKinKorea